

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 9**

January 13, 2021

**SUMMARY OF BILL:** Increases, from \$1,000 to \$1,250, the amount awarded for a Tennessee Middle College Scholarship (TMCS) for each semester of full-time attendance.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures –**

**\$139,500/Lottery for Education Account/FY21-22**

**Exceeds \$139,500/Lottery for Education Account/FY22-23 and  
Subsequent Years**

**Other Fiscal Impact – Funding in an amount of \$139,500 in FY21-22, and recurring funding exceeding \$139,500 in FY22-23 and subsequent years, will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.**

**Assumptions:**

- Pursuant to Tenn. Code Ann. § 49-4-909(d), the current TMCS award is \$1,000 for full-time attendance each semester for a total of \$2,000 each year.
- Passage of this legislation will increase an eligible student's award amount from \$1,000 to \$1,250 per semester for a total of \$2,500 each year.
- The increase in state expenditures from the Lottery for Education Account (LFEA) for each respective student will be \$500 (\$2,500 new award - \$2,000 current award) per year.
- The current number of participants is 262. Based on information provided by the Tennessee Student Assistants Corporation, it is estimated that for FY21-22 there would be an increase of 6.5 percent students who will receive the TMCS for an approximate total of 279 students (262 current students x 106.5%).
- The increase in state expenditures from the LFEA is estimated to be \$139,500 (\$500 x 279) in FY21-22.
- It is estimated that the number of students who will receive the TMCS will increase each year; therefore, the recurring increase in state expenditures from the LFEA is estimated to exceed \$139,500 in FY22-23 and subsequent years.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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